M

Firka Development

(1938 49) Department

MS **SERIES.**

G.O. No. 976

Dated 25th October 1949

[Despatch Abstract.]

AUDIT REPORT - HINDU RELIGIOUS ENDOWMENTS BOARD - FASLI 1357

RECORDED.

AUDIT REPORT ON THE ACCOUNTS OF THE HINDU RELIGIOUS ENDOWNMENTS BOARD FOR THE PERIOD- FROM ~~10TH~~ 1st JULY, 1947 TO 30TH JUNE , 1948 (FASLI 1 3 5 7).

* * *

Name of auditor: SRI P.V. NARASIMHAM, Superintendent, City Audits.

Time taken for audit: From 1st October 1948 to 8th November 1948.

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The audit of the Accounts was conducted in accordance with G.O. NO. 2654, L & M. , dated 23rd June 1936 and G.O.NO. 3635, L & M ., dated 21st September, 1937.

(ii) During the period under audit the office of President was held by SRI T.M. CHINNAIYA PILLAI, M.A., B.L.

(iii) The opening balance in the Cash Book was in agreement with the closing balance of the previous Fasli and the Closing balance viz., Rs.4,23,153- 13 - 7 was in agreement with that appearing in the Bank pass books after allowing for outstanding cheques and the unremitted revenue on hand at the close of the year.

An abstract of Receipts and Charges of the Board is " appended".

2. The irregularities noticed during the monthly audits were communicated to the President in the monthly objection statements. An objection statement containing the minor defects noticed during the annual audit has also been communicated to the President separately. These objection statements should be read as part of the report. The more important irregularities are detailed below.

FINANCIAL POSITION OF THE BOARD.

3 (a) ~~The~~ The General Transactions Account of the Board opened with a balance of Rs.1,58,632--11--10 and closed with a balance of Rs.42,964--14--3, the receipts and charges thereunder being Rs.10,44,782--5--4 and Rs.11,60,450--3--0 respectively.

3-(b) The receipts under contribution during the Fasli aggregated Rs.7,92,629--15--5 as against Rs.7,88,959--12--8 in the previous fasli. The percentage of collection to Demand under Contribution - Arrears and - Current - worked out to 40.8 and 73.7 respectively as against 43.09 and 74.3 respectively in the previous Fasli. The current demand under Contribution for Fasli 1357 was Rs.8,56,750-10-1 as against Rs.8,38,346-12-8 for Fasli 1356. The closing balance of the Board's account on 30th June, 1948 was Rs.4,23,153-13-7 as against Rs.5,62,825-11-5 for fasli ending 30th June 1947. The ~~fasli~~ fall in the closing balance was partly due to deterioration in the collection works as compared with that of the previous year. In paragraph 2 of G.O.MS.626, Firka Development, dated 22nd September, 1948 the slackness in collection was commented upon and the Board was requested to take special steps to get the balances collected soon.

3 (c) A U D I T F U N D: The precentage of collection to Demand under Audit Fund arrears and current worked out to 51.8 and 63.4 respectively. The fund opened with a balance

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of Rs.1,45,247-0-7 and closed with a balance of Rs.42.960-9-2. The closing balance would have been further reduced had the collection establishment charges been debited to the Fund, accordance with the instructions contained in G.O. NO. Mis. 626, Firka Development dated 22nd September 1948.

4. ACTION PENDING ON THE LAST AUDIT REPORT.

(i) paragraph 4 (a) (paragraphs 15 and 16 of the audit report for Fasli 1354.
4 (l) Fasli 1355:

PROVIDENT FUND contribution due in respect of Board's servants on war service has not been recovered as yet.

(ii) Paragraph 4(e) (Paragraph 4 (j) of the report for fasli 1354.
4(5) 1355.

No reports were shown till the close of audit that the stock lsters of Tools and Plants were verified by the Divisional nissioners.

(iii) paragraph 4 (f) (Paragraph 5 of audit report for Fasli 1354.
4 (6) 1355.

The registers of Tools and Plants of the Temple Committees have not been produced for verification. Attention is invited to G.O.MS. NO. 626, Firka Development, dated 22nd Dece Septemeber 1948 reviewing the replies to audit report paragraph 4 (b) for fasli 1356.

(iv) paragraph 4 (g) (Paragraph 6 of audit report for Fasli 1354.
4 (8) 1355.

Arrear contribution over ten years old aggregating Rs.6090/- still remains uncollected.

4(v) Paragraph 4 (b) of audit report for fasli 1356.
13 1354.

The irregular grant of increment of Rs.45-15-0 remained to be recovered. Attention is invited to the orders contained in paragraph 2 of G.O.NO. Mis. 626 (Firka) Development dated 22nd September 1948 on paragraph 4 (h) of the audit report.

(vi) Paragraph 5 of audit report for Fasli 1356. In G.O.NO. Mis. 626, Firka Development dated 22nd September 1948 reviewing paragraph (5) of the audit report a proportion of the expenditure on the collection establishment was ordered to be debited to Audit Fund. Action would need to be taken to work out the porportionate expenditure and debit the same to Audit Fund.

(vii) PARAGRAPH 6 OF AUDIT REPORT FOR FASLI 1356: Action remains to be taken to merge the Deposit amount with the Audit Fund.

(viii) PARAGRAPH 7 OF AUDIT REPORT FOR FASLI 1356: Final action taken to assess the temples left unassessed at the close of the previous fasli has not been communicated.

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(ix)- PARAGRAPH 9 (a) of AUDIT REPORT FOR FASLI 1356: Government have ordered in G.O.Mis.626, Firka Development, dated 22nd September 1948 to issue clear instructions ~~having~~ laying down the principles of assessment in respect of the inee come from the service inams. Action remains to be taken thereon.

(x) PARAGRAPH 9 (b) OF AUDIT REPORT FOR FASLI 1356: Action still remains to be taken by the Board for the assessment of the "HARIKASEVAS".

(xi) PARAGRAPH 9 (d) OF THE REPORT FOR FASLI 1356: The Government have stated that the full grant received from Government is liable for assessment. Action remained to be taken thereon. During the fasli year under audit also, the same defect continued (for details - please see paragraph 5 (v) INFRA)

(xii) PARAGRAPH 11 of AUDIT REPORT FOR FASLI 1356: In G.O.Mis.626, Firka Development, dated 22nd September 1948, the Board was directed to take separate orders of Government regarding the payment of allowance to the Head clerk. The Head Clerk allowance was continued to be paid in Fasli 1357 also.

4 (xiii) PSRAGRAPH 12 OF AUDIT REPORT FOR FASLI 1356: No action appeared to have been taken to address Government for the ratification of the payment of interim relief to Board's servants.

(Xiv) PARAGRAPH 14 OF AUDIT REPORT FOR FASLI 1356: The following temple amounts have not been invested till the close of audit.

Date of receipt.	Name of the institution	Amount. Rs.
8 2 1947	Trivikrama temple (Cherukue, Guntur District) . . .	2,000/-
24 2 1947	Ambala Vaneswaraswami temple Gugai, Salem District . . .	1,000/-

(xv) PARAGRAPH 16 (c) OF THE AUDIT REPORT FOR FASLI 1356: Some of the service registers detailed in item 14 of the annual objection-statement have yet to be produced for verification.

5. ASSESSMENT OF INCOME FOR CONTRIBUTION TO THE HINDU RELIGIOUS ENWONENTS BOARD - IRREGULARITIES.

(i) PANNAYAM CULTIVATION: COST OF PRODUCTION NOT DEDUCTED: In Coimbatore district, Bhavani Taluk, Momudi Agorara Dharma Sivachariyar Mutt was assessed to an income of Rs.30,080/- This sum includes a sum of Rs.44/- got from Pannayam cultivation by the Mutt. The cost of production amounting to Rs.148-15-2 was not ~~dee~~ however deducted therefrom to arrive at the cofrect assessable income as required under the explanation (a) to the rule 1 (d) of the rules appended to G.O.NO. 23 L & M , dated 4th January 1927 prescribing the rules for assessment of contribution.

(ii) ADVANCES RECOVERED: ASSESSED: MADRAS CITY: VEDANTHA DESIKAR DEVASTHANAM: MYLAPORE: The temple was assessed to an income of Rs.11,613- as shown in below:

	Rs. A. p.
Assessable income as reported by the Assistant Commissioner	11,078 7 5
ADD amount collected from tenants towards property tax payable to the Corporation	534 6 0
	11,612 13 5 OR Rs.11,613

It was explained by the Inspector that Rs.534-6-0 represented the amount which the temple got back from the tenants towards reimbursement of of the tax already paid by the temple to the Corporation on behalf of the lessees in the first instance. The amount paid was shown as advances recoverable in the return of income furnished by the Trustee, and the amount received from the Lessees would accordingly be "Advances recovered". The collection of contribution on such advance is not in order.

5 (iii) OMISSION IN ASSESSMENT: COIMBATORE DISTRICT: PERUR VILLAGE: PATEESWARAR DEVASTHANAM: A total sum of Rs.7,475-4-3 was shown to have been recieved towards " cocoanut Kanikkai" during the fasli, out of which Rs.3,329-12-6 was said to have been paid to the Archakas being their share, and the net amount of Rs.4,415-7-9 only, was taken for the purpose of assessment under this head. The Kanikkai does not appear to have been paid as a personal gift or offering to the Archakas of the temple to be excluded from the income of the institution under section 9 (11) of the MADRAS HINDU RELIGIOUS ENDOWMENTS ACT (AMENDED) and as such the deduction does not seem to be authorised, and assessment should have been made on the Gross receipts.

5b(iv) SOUTH KANARA DISTRICT: UDIPI TALUK: MANDARTHI DURGA PARAMESWARI TEMPLE: Out of the net assessable income of Rs.10.794-13-1 a sum of Rs.4,433-6-8 was deducted as detailed below and the temple was assessed for contribution and audit fund on the income of Rs.6,361-6-5.

DETAILS FOR DEDUCTION

		Rs.	A.	P.
1) Land Revenue Less cess		73	5	4
2) SEVAS: (a) Value of 3-23 measures of rice at Rs.10/- per "Mura".	Rs. 35 9 6			
(b) Values of 85 cocanuts at Rs.15/- per 100	Rs. 12 12 0			
(c) cash	Rs. 4,311 11 10			
		4,360	1	4
		4,433	6	8

The total receipts under the sevas was Rs.4,502-4-9, out of which Rs.4,360-1-4 was noted as having been paid to the Archakas, and therefore deducted from the income. There seems to be no authority to deduct the amount of Rs.4,360-1-4 received for "SEVAS" from the assessable income of the temple.

(v) NORTH MALABAR: SRI JANARDANA TEMPLE ANNAVARTHY: BRITISH COCHIN: Out of a sum of Rs. 1,186-10-0 received by the temple as teaching grant from Government, a sum of Rs. 1,008-1-7 said to have been earmarked for distribution among teachers was deducted for the purposes of assessment. This deduction is not in order, - VIDE orders of Government on paragraph 9 (d) of audit report for FASLI 1356 issued in G.O. Mis. 626, Firka Development, dated 22nd September 1948.

(vi) RAMNAD DISTRICT: ILLAYANGUDI VILLAGE: KAILASANATHASWAMY TEMPLE AND NITHYAKALYANI AMMAN: The income of the temple includes Malai

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KANIKKAI amounting to Rs.127 10 6

and Tiruvalakku Kannikkai amounting to 63 5 0

The above two sums were deducted from the total receipts in addition to other items and the temple was assessed on an income of Rs.29,4441/- The authority for the procedure observed in matters of such deductions was not pointed out and information was not available whether the full amount was paid in each case for the services in question.

(vii) INSTITUTIONS LEFT UNASSESSED: The temples and Mutts detailed in item No. 10 of the annual objection statement were not assessed for Fasli 1357.

6. INCOME BASED ON PREVIOUS ASSESSMENT: It is noticed that in respect of the institutions which did not furnish returns of income for the previous fasli 1356 as required under Rule III of the rules appended to G.O.NO. 23 L & M dated 4th January 1927, the income assessed in the previous year was adopted generally in all cases for the purpose of assessment for Fasli 1357 also, on the recommendation of the Assistant Commissioners. Through this procedure may be equitable in the case of institutions, it may not be so in the case of all, as it is not likely that the income of all institutions will be the same in two consecutive years. Further if a particular institution gets more income in a particular Fasli and fails to submit the return it would under the above procedure be assessed only on the lower income of the previous year and thus escape the higher assessment otherwise due for the fasli. Thus the adoption of such a procedure for all defaulting institutions as a matter of course, might encourage them in their default besides causing loss of revenue to the Board. It is therefore, ~~default besides causing loss of revenue to the Board. It is therefore~~, desirable that individual cases, at least institutions getting a large income should be examined so as to ascertained the correct assessable income in order to ensure that the requirements of RULE IV IBID is complied with as far as possible.

7. DEBIT OF PROPORTIONATE AMOUNT OF AUDIT FEES TO THE AUDIT FUND: on the analogy of the debit to Audit Fund of the pro-proportionate expenditure on collection establishment (as decided in G.O.NO. Mis. 626, Development (Firka) dated 22nd September 1948 reviewing the replies to paragraph 5 of the audit report for Fasli 1356) the proportionate amount of audit fees paid to Government may also have to be recovered from the Audit Fund and credited to Board's funds.

8. DEPUTATION OF MEMBERS OF HINDU RELIGIOUS ENDOWMENTS BOARD SERVICE ON SPECIAL FESTIVAL DUTY: It was noticed that some of the members of the establishment of the Hindu Religious Endowments Board were deputed to attend the festivals in certain temples to supervise the conduct of the festival and to be of assistance to the Assistant Commissioner in supervising the conduct of the festival and safeguarding the Hundial collections.

In such cases the members were allowed special rates of daily allowance as shown below (besides 1½ railway fares against 1/2/5 railway fares only ordinarily admissible.

Rs. 5 0 0 to the Senior Superintendent.
Rs. 4 0 0 to the Upper Division Clerks.
Rs. 3 0 0 to the Lower Division Clerks, and attenders.
Rs. 2 0 0 to the peons.

In the case of members deputed to SRI KALIYUGA VARADARAJA PERUMAL TEMPLE: KALLANKURICHI: Trichinopoly district commencing from 17th April 1948 and ending 27th April 1948 in Board's Memorandum No. 27132/48-2, Administration, dated 8th April 1948. The entire travelling allowance was got paid to the members from the temple funds on bills passed by the Board. As the pay of the Establishment for these periods is met from the Board's funds, their travelling allowance also should be similarly paid from the Board's funds, ~~their~~ in the first instance and if, as appears to be the case, the interests of the temple are also served the whole or such portion of the expenditure as may be deemed suitable may be recovered from the temple funds ~~are~~ and credited to Board's funds. The procedure adopted seems to be not regular. Further the payment of railway fare and daily allowance in excess of the rates admissible under the Madras Travelling Allowance Rules is inadmissible in the absence of Special Sanction of Government. The fact that the charges are recoverable from the temple cannot be an argument for the payment of higher rates.

9."ADVANCE OF TOUR TRAVELLING ALLOWANCE- PAYMENT OF SECOND ADVANCE WHILE ONE ADVANCE WAS ALREADY PENDING".

In the case of the following individuals a second tour a advance was paid on the date noted against each while the previous advance was outstanding.

NAME OF THE INDIVIDUAL.	WHEN I ADVANCE PAID. AMOUNT. Rs.		WHEN ADJUSTED. Rs. a. p.		WHEN SUBSEQUENT ADVANCE WAS PAID. on.		AMOUNT. Rs.
K. NATARAJAN	75	30 10 1947	47 9 0		10 11 47		70
			27 7 0		18 11 47	10 11 47	
S.THIRUMALAI	18	11 12 1947			10 1 48	22 12 47	45
K.NATARAJAN	175	11 3 1948			3 4 48 and 6 4 48	22 3 48	75
S.THIRUMALAI	50	- do -			7 4 48	- do-	35
S.THIRUMALAI	85	16 4 1948	1 6 0		29 5 48	24 4 48	33
						7 5 48	13
			5 6 0		13 5 48	13 5 48	12
			70 7 0		12 5 48	18 5 48	15
			7 15 0		1 6 48	-	-
K.NATARAJAN	200	9 6 1948			21 6 48 and 22 6 48	18 6 48	275
THIRUMALAI	60	-do-			-do-	-do-	85

The grant of subsequent advance is contrary to the provision of Article 84 of the Madras Financial Code.

9 (b) Advances were also paid in excess of the sum likely to be required to meet the travelling expenses for the probable duration of the TOURas instanced below:

	AMOUNT GRANTED.	WHEN .	WHEN ADJUSTED.
JINNU NAICKER	Rs. 10	20 6 1947	Rs. 6 2 0 on 31 7 1947 3 14 0 CR 1 1 1948
K. BALASUBBARAM	Rs. 20	27 8 1947	Rs. 9 10 0 adjusted 26 1 48 10 6 0 CR 1 6 48.
THIRUMALAI	45	18 11 1947	20 0 0 cash 26 11 47 2 0 0 17 1 48 1 4 0 C.R. 1 4 48 21 12 0 6 12 47.

OLD ADVANCES PENDING ADJUSTMENT.

10 (i) LEGAL ADVANCES PENDING: The following advances paid for legal expenses were pending adjustment on the close of audit. Early action would need to be taken for the adjustment.

NAME OF THE PLEADER.	AMOUNT PAID. Rs. a. p.	WHEN PAID.	BALANCE. Rs. a. p.
E. SUBBARAYA Rao	15 0 0	July 1944	15 0 0
T. VENKATESWARA RAO	25 14 1	Not known.	25 14 1
K. SUBRAMANIAM			22 7 9

(ii) MISCELLANEOUS ADVANCES PENDING: The old items of miscellaneous advance amounts noted below were pending adjustment on the close of audit.

TO WHOM PAID	AMOUNT Rs. a. p.	WHEN PAID	BALANCE. Rs. a. p.
ASSISTANT COMMISSIONER WEST TANJORE.	21 1 6	4 7 1946	21 1 6
GOVERNMENT EPHIGRAPHIST	11 5 0	14 8 1946	11 5 0

11. DEFECTIVE MAINTENANCE OF SERVICE REGISTERS: The following defects were noticed in the maintenance of service registers.

(1) No new service registers were opened in the case of completed ones and entries of leave taken etc., were entered in the sheet intended for calculating leave accounts for want of space in the service books.

(2) Annual verification for the year 1947 was not done and certificate to the effect recorded in the service registers.

12. TEMPLE DEPOSITS: NOT INVESTED: Instances of DEPOSIT amounts received from Temples for investment in National Savings Certificates but not invested till the close of audit are given below. This defect was also pointed out in the previous audit report.

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NO. OF ITEM	DATE OF RECEIPT	NAME OF THE INSTITUTION.	AMOUNT. Rs. a. p.
1.	6 11 1946	Sangameswaraswami temple (Coimbatore District)	150 0 0
2.	8 11 1946	Karuppaswami temple (Madura)	50 0 0
4.	3 12 1946 28-11-1948	Vallivinayakar temple (Madras)	75 0 0
3.	28 11 1948	Sangameswaraswami temple (Coimbatore District)	350 0 0
5.	9 12 1946	Prasanna Venkataraman temple (Madras)	25 0 0
6.	25 1 1947	Chandrasekara Krishnaswami temple (Madras)	25 0 0
7.	275 12 1947	Kolandai Velayudaswami temple (Madras)	25 0 0
8.	5 2 1947	Pettai Vaneswaraswami Temple (Madras)	25 0 0
9.	8 2 1947	Tirivikrama Temple (Guntur District)	2,000 0 0
10.	24 2 1947	Ambulavaneswaraswami Temple (Salem District)	1,000 0 0
11.	24 2 1947	Chandrasekaraswami temple (Tinnevelly District) x	50 0 0
12.	29 3 1947	Ramalingeswarar Temple	500 0 0

13. REGISTER OF DEPOSITS: UNCLAIMED DEPOSITS ACTION TO BE TAKEN: Deposits dating back from 1938 remained unclaimed.

Action would need to be taken with reference to rule No. 5 of the rules issued in G.O.NO. Mis. 454, Firka Development dated 26th July 1948 - with regard to the Deposits.

13 (ii) Two sums of Rs.72/- and Rs.8-9/- were transferred from Suspense account on 23rd June 1942 and 27th March 1944 respectively to the Deposit Account without any details. This needs to be investigated and early action taken to refund the amounts to the concerned temples, if necessary.

14. SUSPENSE ACCOUNT: The fasli year opended with a balance of Rs.34,752-0-0 and closed with a balance of Rs.48.239-0-0 under Suspense account. As it is desirable to keep the balance under the head at a minimum early action would need to be taken to reduce the balance at an early date. Necessary instructions would also need to be issued to the out door Officers that full particulars of the amounts remitted by them should be given so as to enable the amounts being oredited to the respective heads in the account event in the first instance.

15. REGISTER OF INVESTMENT: Investment and fixed deposit -- receipts that are in the custody of the treasurer were not verified by any responsible officer of the board and an certificate of verirication recorded in the concerned registers

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16. CHECK OVER COLLECTION OF CONTRIBUTION BY ASSISTANT COMMISSIONERS AND INSPECTORS:

Even during the fasli year under audit no effective steps would appear to have been taken in the Board's office to exercise adequate check over the collections made by the Board's outdoor staff.

Several temporary receipt books still remain to be obtained from the outdoor officers and checked with the account rendered by the Assistant Commissioners and outdoor staff. This defect was pointed out in paragraph 15 of audit report for fasli 1356 ~~of-au~~ also.

Instances of delays in remittances noticed during audit were detailed in the monthly objection statements.

17. REGISTERS NOT CLOSED FOR FASLI: The following accounts and registers were not closed and produced for audit.

Provident Fund Abstract Register, Provident Fund Ledger ~~and~~ and Annual account in the Provident Fund cash book.

18. PAID VOUCHERS NOT PRODUCED FOR AUDIT: Twenty (20) paid vouchers were not produced for audit as detailed in the monthly objection statements. They may be arranged to be traced and ~~for~~ produced for audit early.

19. REGISTERS OF TOOLS AND PLANT: The returns showing stock of Tools and Plant etc., in the Offices of the Assistant Commissioners were not produced for audit.

20. OBJECTION STATEMENTS AND FURTHER REMARKS NOT RETURNED WITH REPLIES: Objection statements detailed in Appendix 'A' have yet to be returned with replies.

21. AUDIT FEES TO GOVERNMENT: A sum of Rs. 4,710-6-0 being the fees for the audit of accounts of Board from 1st April 1947 to 31st March 1948 is due to be credited to the Government.

22. THE RESULT OF AUDIT MAY BE CONSIDERED SATISFACTORY.

23. RECEIPTS AND CHARGES OF THE FASLI WERE Rs.27,96,573-12-7 abd Rs.29,36,245-10-5 respectively.

24. OBJECTIONS PENDING CLEARANCE: FOUR HUNDRED AND SIXTY-NINE (469) objections involving a sum of Rs.17,501-6-3 were pending settlement at the close of the audit as shown in the annual objection statement.

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L.F. NO. 6731.
Dated 15-11-1948.

T.K. SRINIVASAN,
DEPUTY EXAMINER OF LOCAL FUND ACCOUNT
M A D R A S.

Forwarded to the President, Hindu Religious Endowments Board, Madras with reference to G.O.NO. 2229, L & M dated 14th June 1927 with the request that the report may kindly be returned in original to this office within two months with replies in triplicate together with three copies of the proceedings of the Board thereon for transmission to Government.

(2) Attention is invited to paragraph 21 of the report regarding the amount of audit fee payable to Government for the audit of the accounts of the Board for Fasli 1357. It is requested that the audit fee may kindly be credited to Government at an early date and the fact intimated to this Office.

SD. T.K. SRINIVASAN,
Deputy Examiner of Local Fund Accounts.
M a d r a s - 2.

/True Copy/

A P P E N D I X A.

Objection Statement not returned with replies.

	Date of Despatch.		
Annual Objection statement Fasli 1356	14	11	1947
February and March 1941	9	10	1947
April, May and June 1947	6	11	1947
May and June (Supplemental)	3	12	1947
July 1947	15	2	1948
July 1947 (Supplemental)	9	6	1948
August to December 1947	3	7	1948
January 1948	23	7	1948

/True Copy/

Abstract of accounts of the Madras Hindu Religious Endowments Board
for FASLI 1357. Annual account (1-7-1947 to 30-6-1948)

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A P P E N D I X A.

Name of account	Opening balance 1-7-'47 F 1357.	RECEIPTS. Current	RECEIPTS. Progressive	PAYMENTS. Current	PAYMENTS. Progressive	Closing balance 30-6-48	REMARKS
A. General Transantions	1,58,632-11-10	10,44,782 5 4		11,60,450 3 0		42,964 14 2	
B. Suspense	34,752 0 0	43,941 2 4		30,454 8		48,239 0 8	
C. Advances recoverable	-12,032 6 0	40,038 14 11		48,712 10 6		-20,705 11 7	4,23,153 13 7
D. Deposits							3,52,655 13 4
							70,498 0 3
				GENERAL	BALANCE		
1. Misc. Deposits	2,19,888 8 10	11,86,158 13 7		11,14,203 12 9		2,91,843 9 8	
2. P.F. DEPOSITS	16,337 12 2	67,178 6 4		65,664 8 0		17,851 10 6	
3. Total Deposits	2,36,226 5 0	12,53,337 3 11		11,79,868 9		3,09,695 4 2	
E. Audit Fund	1,45,247 0 7	4,14,474 2 1		5,16,760 10 6		42,960 9 2	
GRAND TOTAL	5,62,825 11 5	27,96,573 12 7		29,36,245 10 5		4,23,153 13 7	

(SD) T.M.C.
PRESIDENT
HINDU RELIGIOUS ENDOWMENTS
M A D R A S.

/True Copy/

Office of the Board of Commissioners
Tele: Religious. for Hindu Religious Endowments,
Madras - 6.

Letter No. 154773/48-1 Accts. dated 12-5-1949.

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From

The President,
Hindu Religious Endowments Board,
Madras- 6.

To

The Examiner, Local Fund Accounts,
Khaleeli Mansions, Mount Road,
Madras.

Sir,

Sub: Audit report on the Accounts of the Hindu Religious Endowments Board, Fasli 1357 - Returned with replies.

Ref: Your L.F. NO.6731 dated 15-11-1948.

* * *

I have the honour to return herewith, the Audit R on the Accounts of the Board for the Fasli 1357, with copies of the replies and of the Board's resolution t

PARAGRAPH 3 (b) :

The fall in the percentage of collection is due to the fact that requisitions to the Collectors could not be issued in the earlier part of the fasli pending amendment of the rules. Better collections are realised as a result of issue of requisitions and other effective steps taken in this fasli. The low closing balance is not due to the deterioration in the collection work as the collection in fasli 1357 is more than that in fasli 1356, but due to the payments of arrears of salary in the fasli consequent on fixation of the salary of staff in the revised scales of pay besides the investments of a heavy sim of Rs.2,45,000/- in Fixed Deposits.

PARAGRAPH 3 (c)

The low closing balance in the audit fund is due to the fact that large investments amounting to Rs.4,50,000/ have been made during fasli 1357.

PARAGRAPH 4 (i)

Attention is invited to Endorsement No. 5108/- 48-1 F.D. (V) dated 21-12-1948, wherein Government have forwarded a copy of the letter from the Government of India, negativing the request of the Board for paying Provident Fund contribution for Board's servants on War Service.

PARAGRAPH 4 (ii)

Attention is invited to the reply furnished to Para-

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graph 4 (a) of the Audit Report for fasli 1356.

PARAGRAPH 4 (iii)

The Register relating to Trichy and Tanjore are ready and will be produced. It is reported by the Assistant Commissioner, Cuddalore that the register maintained by the South Arcot District Temple Committee is not traceable. The available registers will be produced.

PARAGRAPH 4 (iv)

These are covered by requisitions. Quarterly D.C.B's are received from Tahsildars and reviewed critically by the Board. The Collectors also exhort the Tahsildars in their periodical reviews to speed up the Board's collectons. The collection of these arrears is watched and necessary action is taken to expedite collection.

PARAGRAPH 4 (v)

IRREGULAR GRANT OF INCREMENTS:

A reply is being sent separately.

PARAGRAPH 4 (iv)

Action has been taken to work out a fair proportion for debiting to the Audit Fund the supervision and other charges incurred by the Board. Credit will be pointed out.

PARAGRAPH 4 (vii)

Attention is invited to the reply furnished to paragrph 4 (6) of the Audit report for fasli 1356. Orders of Government are awaited.

PARAGRAPH 4 (viii):

OMISSION IN ASSESSMENT:

Action has been taken in respect of all the cases pointed out.

PARAGRAPH 4 IX: SERVICE INAMS: ASSESSMENT OF:

Clear instructions have already been issued to all Assistant Commissioners in Circular No. 55/45 (REVENUE) dated 5-12-1945 wherein the principles laid down by Government are incorporated.

PARAGRAPH 4(x):

In Board's resolution No. 8 dated 7-1-1949 the Board has decided to include for purposes of assessment, cases of voluntary cash contributions intended by donors for the performance of specified services and which are entered in the temple accounts and spent away then and there in the manner required without leaving any balance to the temple.

/3..

PARAGRAPH 4 (xi):

TheOrders of the Government are noted and acted upon from fasli 1358 onwards as the orders of Government were received after the assessment for fasli 1357 was made.

PARAGRAPH 4 (xii and xiii)

HEAD CLERKS' ALLOWANCE:

Government have been addressed separately to approve the Board's action in revising the payment of Head Clerks' allowance to the Upper Division Clerks in aharge of Assistant Commissioners' Offices.

Interim Relief:

Government have been addressed separately to approve the Board's action in sanctioning the grant of Interim Relief from 1-8-46 to 31-12-46 to the members of the Board's staff .

PARAGRAPH 4 (xiv):

The amounts have since been invested in the purchase of National Savings Certificates.

PARAGRAPH 4 (xv):

The Service Registers will be produced.

PARAGRAPH 5 (i)

The alleged cost of production was not allowed as no details were furnished. The trustee should have furnished the same at the time of sending the return or by way of objection after the issue of demand. He has done neither and the deduction was disallowed. When a remedy is provided for by statute it has to be followed. However, details of expenditure of Rs.148-15-2 (the alleged cost of production) - were called for and were furnished by the trustee as follows:

1.	Electric current charges for the water pump in the Nandavanam	Rs.84-15-0
2.	Wages for cutting crops (Kambu)	17- 8-0
3.	Wages for clearing the rubbish pit	6- 0-0
4.	Carpenters wages for making plough	3- 0-0
5.	To purchase mud vessels	2- 0-0
6.	Wages for cutting 56 palm leaves	7- 0-0
7.	Wages for putting manure for Nandavanam	7- 0- 0
8.	Wages for clearing chileys fields	3- 0-0
9.	Purfhase of Vegetable seeds from agricultural department	4-12-11

10. Pick axes and ropes purchased Rs. 13-11--3

148-15--2

The assistant Commissioner who was asked to enquire and report about the merit of the expenditure has reported that one acre of land was kept under Pannai cultivation, out of which 25 cents were said to have been planted with plantain trees and millets were raised in the rest. A perusal of the expenditure incurred would show that most of the items do not relate to the extents or expenditure under pannai cultivation and are capital items of expenditure and would not come under the recognised head of deduction "Cost of production". Items 1 and 7 relate to Nandavanam, wherein millets and plantain trees could not have been raised; Items 2 and 6 will come if at all, under cost of collection. Items 3,4, 5, 8, 9 and 10 are ~~under~~ other items of capital expenditure and do not relate to cost of production. It will therefore be seen that the sum of Rs.148 -15- 2 does not represent cost of production nor has it any reasonable bearing or relate to the income produced. In the above circumstances, no action is called for.

PARAGRAPH 5 (ii)

The sum of Rs.534 -6 -0 represents property tax to be paid to the corporation on the properties belonging to the Devasthanams. The tax is to be paid by owner (i.e. Devasthanams and not the tenants. In respect of this Devasthanam ~~pays-in-the-first~~ the practice is for the lessee to pay the tax. But the Devasthanam pays in the first instance to the corporation and then recovers the same form the lessees. The tax so paid by the lessees is paid out of the rent payable by them to the temple. As the rent derived by the temple is an item of income, the sum of Rs.534- 6- 0 is liable for assessment.

PARAGRAPH 5 (iii)

OMMISSION IN ASSESSMENT.

Coimbatore District, Porur Village, Patteeswarar Devasthanam.

The entire receipts from "Cocanut Kanikkai" shown in the accounts of the temple do not consitute an income of the temple. Before the year 1946 whenever archanais were performed by the archakas at the instance of worshippers, the latter used to pay the necessary amount direct to the archakas and get the archanais done. This was going on from a long time and the archakas claim these as perquisites or offerings to them which they are entitled to get by custom or usage and that in other words they come within the ~~main~~ meaning of the exception of the definition of Religious Endowments in Section 9(ii). With a view to avoid harassment to worshippers and regularising the procedure, the Board directed the introduction of the system of issue of archanai tickets on the definite under standing that a certain portion of it will go to the temple as its income. The schedule of the rates which governs such collections, would clearly indicate what the income of the temple is and what is not. As such the deduction was in order.

PARAGRAPH 5 (iv)

The report of the Inspector showing the nature of the transactions will be produced. It will be seen from the said report that the deduction is in order.

PARAGRAPH 5 (v):

Vide reply to paragraph 4 (xi) of the Audit Report for Fasli 1357 and Paragraph 9(d) Audit Report, 1356.

PARAGRAPH 5 (vi):

The two items of income referred to in the objection were not deducted from the assessable income out actually included in the assessable income.

PARAGRAPH 5 (vii)

Out of ~~the~~ nineteen cases cited in the objection, assessment has been made in nine cases. In respect of six more cases reports from Assistant Commissioners have been called for. On receipt of reports from the Assistant Commissioners action will be taken for assessment or otherwise. In rspect of two cases (one in Ramnad District and another in Bellary District) injunction orders have been received from courts. In respect of the remaining two cases enquiries are pending before the Board and the court.

PARAGRAPH 6 :

Under the rule III of the Assessment rules issued by the Government in G.O.No. 33 L & M dated 4-1-1927, the trustees of the religious institutions have to submit a return of income within a prescribed time. When they fail, to do so, the Board has to assess the institutions under rule IV on the basis of the information available with it. While doing so, it may be stated that the Board does not generally adopt the previous year's assessment as a rule, though it does so in certain cases where the other methods detailed below are exhausted. Incases where the Board has definite information, on the basis of returns received, that there has been a definite increase in income, such increase is calculated and the average result arrived at for the district. At that rate, the income of the previous fasli is increased ~~and~~ and adopted for assessment. Such increase by a fixed percentage is adopted for the current fasli also. In the absence of returns, the Assistant Commissioners look into the accounts or budgets or audit reports and report the figures for assessment.

PARAGRAPH 7:

Action has been taken for fixing a fair percentage of the Audit fees paid to the Government and to debit the same to the audit fund. Credit will be pointed out.

PARAGRAPH 8:

The temple referred to in this paragraph derived a very

p.t.o.

large income through the hundials and other kanikkais during the Sri Rama Navami Festival, every year. - Formerly the hundials were not properly watched and the receipt of kannikkais of several kinds were not regulated by issue of tickets. Consequently the offerings brought by devotees were not received in the hundial pots but were collected unauthorisedly by outsiders also and the trustee did not evince keen interest in the proper collection of the hundial and other offerings. The Board had therefore to depute the membe of the staff to be present at the time of festivals for watch the hundials and also regulate the issue of tickets for Mudikanikkai and receipt of other offerings. As the temple is situated in an interior and out of the way place, there are no facilities for the boarding of the Board's employees and ther persons deputed suffered a let of inconveniences and they had to make - arrangements for their boarding at a very heavy cost.- ~~Cost~~ Further arduous and strenuous work had to be done by them both day and night in connection with safeguarding of the collections. In these circumstances increased daily allowance was allowed in the interests of public service. The institution decidedly stood to gain to a considerable extent and the income increased considerably and the Board also stood to gain by way of contribution apar from the statutory duty cast on the Board to see to the proper - administration of the temple and collection of its income. As the Board stood to gain by way of contribution, and as it is also its duty to see to the proper administrati of the temple, it is not desirable to collect they pay of th staff also. As the temple also stood to gain, the bare expenses incurred by the staff alone is met from the temple funds. As the increased Dearness Allowance was allowed in the interests of public service in view of the special and arduous nature of the duties involved, the objection may be dropped.

PARAGRAPH 9 (a)

No second advance is given when the previous advances are pending adjustments or remain unaccounted for. Tours are at time arranged suddenly and sufficient time will not be available for scrutinizing the bills and making necessary adjustments in accounts. On account of emergency the advances had to be given. Since the persons concerned have rendered accounts for the advances already taken, there can be no objection for paying advances when the previous advance is pending adjustment only in account. The objectio is however noted and scrupulous care is taken not to give a second advance unless bills are given for the previous advance.

PARAGRAPH 9 (b)

These instances are rare and due to the fact that portion of the tour is cancelled. The grant of advances are carefully regulated now.

PARAGRAPH 10,(i): SRI E. SUBBA RAMA RAO Rs.15/-

This has been adjusted in April 1949.

SRI T. VENKATESWARA RAO:

A sum of Rs.3-9-9 has been adjusted in November 1948-. The cases for which the advances was made are still pending. The advance will be adjusted after the cases are disposed off and bills are received from the vakil.

SRI K. SUBBARAMIAH.

A sum of Rs. 2-4-3 has been adjusted.

PARAGRAPH 10 (ii):

The advances have been adjusted in Voucher A.8 dated 10-1-1949 and A.6 dated 10-1-1949.

PARAGRAPH 11:

DEFECTIVE MAINTENANCE OF SERVICE REGISTERS:

The defects are noted. Action is being taken for rectifying the defects . Verification of the services will be recorded after the fixation of salary in the revised scales and the drawal of increments are entered.

PARAGRAPH 12:

All the items have since been invested in National Savings Certificates except item 7 relating to Sri Changrasekara Krishnaswamy temple, Veragimangalam, Dharapuram taluk, Coimbatore District (amounting to Rs.25Ø-) which has been invested in Fixed Deposit as the trustee has not sent the necessary application form duly signed, in spite of repeated reminders.

PARAGRAPH 13 (i):

Action will be taken to lapse these deposits in the Annual Accounts for Fasli 1358.

PARAGRAPH 13 (ii) :

The matter is under investigation and necessary action will be taken to refund the amount or lapse the deposit as per rules.

PARAGRAPH 14. SUSPENSE ACCOUNT:

The balance under suspense as on 1-3-49 is only Rs.11,801-13-6. Action taken to adjust the amounts kept under suspense is carefully watched.

PARAGRAPH 15:

This is being done. A certificate will be recorded after the work is completed.

PARAGRAPH 16:

Delays whenever observed are pointed out and the Inspectors wanred to avoid such delays. Closed receipt books are obtained from the Assistant Commissioners and scrutinised and sent to records.

PARAGRAPH 17:

The cash book, and Provident Fund abstract register have been since been elosed.

PARAGRAPH 18:

Three vouchers were subssquently produced. The other vouchers will be traced and produced.

PARAGRAPH 19:

The registers and the returns will be produced for Audit.

PARAGRAPH 20:

All objection statement except the three Viz. (Supplemental objection statements for July 47, Objection statements for August 47 to December 47 and January 1948) have been returned with replies. The major number of items in these three statements have been scrutinised and these will be returned shortly with replies.

PARAGRAPH 21:

Audit fee was paid on 17-11-48 and the Reserve Bank of India chalan shown to the Auditor.

PARAGRAPH 24:

The amount involved in the pending objections as on 1-4-49 is Rs.10,919 -12 -1. The pending objections are scrutinised and settled as early as possible.

Yours faithfully

Sd. x x x x x x
PRESIDENT
HINDU RELIGIOUS ENDOWMENTS
M A D R A S.

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Tele: "Religious".

Office of the Board of Commissioners
for Hindu Religious Endowments,
M a d r a s - 6.

Board's Resolution No. 4 dated 12-5-1949.

*** *** ***

A P P R O V E D.

Sd/ T.M. CHINNAIYA PILLAI,
PRESIDENT.

/True Copy/

EXAMINER'S OFFICE

L.F.3157dated 12-8-49.

SUB: Replies to the Audit Report -.Hindu Religious Endowments Board for Fasli 1357.

*** *** ***

Forwarded to the Secretary to Government, Firka Development Department, Madras, with the replies of the President and the resolution of the Board in duplicate.

2. PARAGRAPH 4 (ii) OF THE REPORT: The Tools and Plants Registers may be directed to be produced for audit to verify the reply.

3. PARAGRAPH 5 (iii) OF THE REPORT: As the full amount of Rs.7,475-4-3 received towards the Cocoanut Kanikkai is included as receipts in the temple accounts. The entire amount seems to be assessable to the contribution.

4. PARAGRAPH 8. The prodedure adopted is irregular. There seems to be no necessity for any deviation from the ordinary principle viz. that the Travelling Allowance also should be paid from the Board's Fund in the first instance. The proportionate amount of pay and Travelling allowance paid to the staff and recoverable from the Temple funds may be determined in all such cases and duly recovered from the Temple Funds and credited to Board's Fund.

(21)

Sanction of Government will be necessary to pay the staff at rates higher than those allowed in the Madras Travelling allowance Rules for Government servants of similar standing and status. (Vide Rule No.81 of the rules relating to condiditons of service of officer and servants of the Hindu Religious Endowments Bosrd issued in Government Order No. 2934 L & M dated 10-7-26 as amended).

4. PARAGRAPH 18 OF THE REPORT: The remaining 17 paid vouchers still remained to be produced for audit.

Sd. x x x
Deputy Examiner of Local Fund Accounts.

/True Copy/

GOVERNMENT OF MADRAS

Abstract.

AUDIT REPORT - HINDU RELIGIOUS ENDOWMENTS BOARD - FASLI 1357 - RECORDED.

Firka Development Department.

G.O. MS. NO. 976. Dated 25th October 1949.

Read the following:
From the Examiner of Local Fund Accounts, No.L.F.3157 dated 12-8-1949.
From the Examiner of Local Fund Accounts, L.F.5011, dated 10-10-49.

*** *** ***

O R D E R:

R E C O R D E D.

2. A copy of the further remarks of the Examiner of Local Fund Accounts in his letters cited, is communicated to the President, Hindu Religious Endowments Board for necessary action.

3. Para 3 (b) of the Audit Report: The percentage of collection to demand under contribution, arrears and current, fell short of those during the previous fasli - the percentage being 40.8 and 73.7 respectively as against 43.09 and 74.3 respectively in the previous fasli. The Board should take early and vigorous steps to get the balances collected soon.

4. Para 24 of the Report. Steps should be taken to see that all the pending objections are settled as early as possible.

/BY ORDER OF HIS EXCELLENCY THE GOVERNOR/

Sd. x x x
SECRETARY TO GOVERNMENT.

To the President, Hindu Religious Endowments Board, Madras.

/True Copy/

Superintendent,
15-8-1953,
MADRAS RECORD OFFICE.

ss/21-7.